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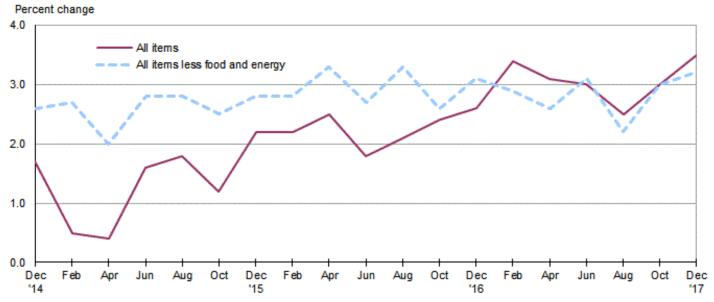
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# Consumer Price Index, Seattle area — December 2017 Area prices were up 0.5 percent over the past two months, up 3.5 percent from a year ago

Prices in the Seattle Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 0.5 percent for the two months ending in December 2017, the U.S. Bureau of Labor Statistics reported today. (See table A.) Assistant Commissioner for Regional Operations Richard Holden noted that the December increase was influenced by higher prices for shelter and recreation. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 3.5 percent. (See chart 1 and table A.) Energy prices advanced 9.7 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy rose 3.2 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Seattle, December 2014-December 2017



Source: U.S. Bureau of Labor Statistics.

#### **Food**

Food prices decreased 0.5 percent for the two months ending in December. (See table 1.) Prices for food at home declined 1.1 percent, but prices for food away from home advanced 0.4 percent for the same period.

Over the year, food prices increased 2.6 percent. Prices for food at home moved up 2.4 percent since a year ago, and prices for food away from home rose 2.9 percent.

### **Energy**

The energy index increased 0.6 percent for the two months ending in December. The increase was mainly due to higher prices for gasoline (1.1 percent). Prices for electricity were unchanged, while prices for natural gas service declined 6.2 percent for the same period.

Energy prices advanced 9.7 percent over the year, largely due to higher prices for gasoline (14.9 percent). Prices paid for electricity advanced 4.7 percent, but prices for natural gas service declined 3.9 percent during the past year.

## All items less food and energy

The index for all items less food and energy increased 0.6 percent in the latest two-month period. Higher prices for recreation (3.5 percent), household furnishings and operations (1.8 percent), and shelter (1.1 percent) were partially offset by lower prices for apparel (-8.5 percent).

Over the year, the index for all items less food and energy rose 3.2 percent. Components contributing to the increase included shelter (5.6 percent) and recreation (5.0 percent). Partly offsetting the increases were price declines in medical care (-0.9 percent) and education and communication (-0.7 percent).

Table A. Seattle-Tacoma-Bremerton CPI-U bi-monthly and annual percent changes (not seasonally adjusted)

				_		•			•			•
Month	2012		2013		2014		2015		2016		2017	
	Bi- monthly	Annual										
February	0.4	2.7	0.8	1.8	0.7	1.2	0.2	1.1	0.2	2.2	1.0	3.4
April	0.9	2.9	0.4	1.2	1.6	2.4	0.9	0.4	1.1	2.5	0.8	3.1
June	0.7	2.7	0.8	1.4	0.4	2.0	1.6	1.6	0.9	1.8	0.8	3.0
August	0.3	2.7	0.0	1.1	-0.2	1.8	0.0	1.8	0.3	2.1	-0.2	2.5
October	0.5	2.3	0.0	0.6	0.3	2.1	-0.3	1.2	0.0	2.4	0.5	3.0
December	-1.4	1.4	-0.7	1.3	-1.1	1.7	-0.2	2.2	0.0	2.6	0.5	3.5

The February 2018 Consumer Price Index for the Seattle-Tacoma-Bremerton is scheduled to be released March 13, 2018.

## **Consumer Price Index Geographic Revision for 2018**

In January 2018, BLS will introduce a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, the index for this area will be renamed. The first indexes using the new structure will be published in February 2018. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17\_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Seattle-Tacoma-Bremerton, WA. metropolitan area covered in this release is comprised of Island, King, Kitsap, Pierce, Snohomish, and Thurston Counties in the State of Washington.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Seattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted)

Item and Group		Indexes		Percent change from-			
	Oct. 2017	Nov. 2017	Dec. 2017	Dec. 2016	Oct. 2017	Nov. 2017	
Expenditure category							
All items	264.653	-	265.850	3.5	0.5		
All items (1967=100)	806.766	-	810.414	-	-		
Food and beverages	267.200	-	265.968	2.5	-0.5		
Food	269.788	-	268.565	2.6	-0.5		
Food at home	251.048	246.851	248.171	2.4	-1.1	0.	
Food away from home	298.694	-	299.880	2.9	0.4		
Alcoholic beverages	235.909	-	234.617	1.6	-0.5		
Housing	306.180	-	309.479	5.2	1.1		
Shelter	350.461	350.647	354.356	5.6	1.1	1.1	
Rent of primary residence(1)	359.278	363.236	365.801	7.5	1.8	0.7	
Owners' equiv. rent of residences(1)(2)	367.334	369.700	371.517	6.6	1.1	0.8	
Owners' equiv. rent of primary residence(1)(2)	367.334	369.700	371.517	6.6	1.1	0.5	
Fuels and utilities	263.431	-	263.693	3.7	0.1		
Household energy	239.936	241.873	240.294	4.2	0.1	-0.7	
Energy services(1)	287.706	286.626	284.332	3.1	-1.2	-0.8	
Electricity(1)	310.598	310.598	310.565	4.7	0.0	0.0	
Utility (piped) gas service(1)	171.416	167.961	160.710	-3.9	-6.2	-4.3	
Household furnishings and operations	172.920	-	175.989	2.9	1.8		
Apparel	132.258	-	121.011	-0.3	-8.5		
Transportation	217.749	-	218.551	4.3	0.4		
Private transportation	224.803	-	226.727	4.8	0.9		
Motor fuel	317.636	327.807	321.066	15.0	1.1	-2.	
Gasoline (all types)	324.021	334.413	327.465	14.9	1.1	-2.	
Gasoline, unleaded regular(3)	351.309	362.614	354.992	15.1	1.0	-2.	
Gasoline, unleaded midgrade(3)(4)	257.185	265.714	259.451	14.1	0.9	-2.4	
Gasoline, unleaded premium(3)	299.183	308.527	302.716	14.1	1.2	-1.9	
Medical care	394.823	-	396.570	-0.9	0.4		
Recreation(5)	95.407	-	98.759	5.0	3.5		
Education and communication(5)	134.265	-	134.848	-0.7	0.4		
Other goods and services	410.261	-	411.167	1.9	0.2		
Commodity and service group							
All items	264.653	-	265.850	3.5	0.5		
Commodities	189.666	-	189.051	2.2	-0.3		
Commodities less food & beverages	151.781	-	151.443	1.9	-0.2		
Nondurables less food & beverages	186.245	-	183.923	4.9	-1.2		
Durables	117.623 334.562	-	119.029 337.469	-1.9 4.2	1.2 0.9		
Special aggregate indexes							
All items less medical care	258.793	_	259.965	3.8	0.5		
All items less shelter	231.945	_	232.107	2.3	0.1		
Commodities less food	155.277	_	154.903	1.9	-0.2		
Nondurables	225.040	_	223.228	3.5	-0.8		
Nondurables less food	190.427	_	188.176	4.6	-1.2		
Services less rent of shelter(2)	323.695	_	325.500	2.5	0.6		
Services less medical care services	327.169	_	330.145	4.7	0.9		
Energy	284.594	290.545	286.438	9.7	0.6	-1.	
All items less energy	266.345	_	267.516	3.1	0.4		

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Seattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted) - Continued

Item and Group		Indexes		Percent change from-			
	Oct. 2017	Nov. 2017	Dec. 2017	Dec. 2016	Oct. 2017	Nov. 2017	
All items less food and energy	266.012	-	267.587	3.2	0.6	-	

#### Footnotes

- (1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (2) Index is on a November 1982=100 base.
- (3) Special index based on a substantially smaller sample.
- (4) Indexes on a December 1993=100 base.
- (5) Indexes on a December 1997=100 base.
- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.